

(Translation)

**Motion on**  
**“Assisting the sustainable development of small and medium enterprises”**  
**moved by Dr Hon LAM Tai-fai**  
**at the Legislative Council meeting commencing on**  
**Wednesday, 23 June 2010**

**Motion as amended by Hon Jeffrey LAM Kin-fung and Hon Vincent FANG Kang**

That, the financial tsunami has resulted in weak economies and high unemployment rates of Europe and the United States, as well as the various concerns and uncertainties in the external economic environment and the failure of Hong Kong’s economy to make a full recovery, coupled with factors such as fierce market competition and soaring costs, etc., the small and medium enterprises (‘SMEs’) in Hong Kong are facing an operating environment which is becoming increasingly difficult when they operate their businesses in the local, Mainland or overseas markets; in this connection, this Council urges the Government to formulate strategies and measures to comprehensively improve the business environment, and assist SMEs in various aspects such as reducing expenses on operating costs, financing, promoting green production, deploying resources to develop emerging markets, continuously developing the local, export and China’s domestic sales markets, upgrading and transformation, product exploration and research and development, brand development and manpower training, etc., as well as make use of the Mainland and Hong Kong Closer Economic Partnership Arrangement and the Framework Agreement on Hong Kong/Guangdong Co-operation, implement a simple and accommodative taxation policy, adopt effective measures to boost the domestic consumption market, and in respect of the investments and inputs made by SMEs which are conducive to their sustainable development, such as scientific research, innovation and design, new market development, creation of additional employment opportunities due to business expansion, etc., provide SMEs with initiative-enhancing incentives such as tax concessions or rebates, etc., as well as when formulating new policies, comprehensively consult SMEs and minimize the impact on them as far as possible, or provide resources to assist the affected enterprises, with a view to fostering the sustainable development of Hong Kong’s economy and increasing employment opportunities for the community.